

EXHIBIT 13A

FINANCE DOCKET No. 12595
MISSOURI SOUTHERN RAILROAD COMPANY
ABANDONMENT

Submitted December 14, 1939. Decided January 10, 1940

Certificate issued permitting the Missouri Southern Railroad Company to abandon part of its line of railroad in Reynolds and Shannon Counties, Mo.

Jules A. Fremon for applicant.

REPORT OF THE COMMISSION

DIVISION 4, COMMISSIONERS PORTER, MAHAFFIE, AND MILLER

By DIVISION 4:

The Missouri Southern Railroad Company on October 16, 1939, applied for permission to abandon that part of its so-called Current River branch extending from Hobart, a point on its main line, to Himont, approximately 10.4 miles, all in Reynolds and Shannon Counties, Mo. No representations have been made by State authorities, and no objection to the application has been offered.

The Current River branch was built in 1929 primarily for transporting timber and lumber produced along the line. *Missouri S. R. Co. Construction*, 150 I. C. C. 338. The line proposed to be abandoned is the part that remained after the abandonment of the 5-mile section from Himont to Brushy pursuant to permission granted in *Missouri S. R. Co. Abandonment*, 233 I. C. C. 397.

The line serves a sparsely settled forested area, about one-quarter of which has become a part of the Clark National Forest since the branch was originally constructed. There are no industrial plants except a sawmill at Himont, the products of which are moved out mainly by truck. There are no agency stations along the line and but one small settlement, which has a post office and general store. A graded farm-to-market highway paralleling the line is used by local vehicular traffic for delivery purposes. There is no common-carrier bus or truck service into the area served by the applicant.

Operations during the 5-year period prior to April 30, 1939, consisted of an unscheduled freight service averaging two round trips weekly for carload traffic and a gasoline-operated car for carrying passengers, mail, and freight. No mail has been handled since April 30, 1939. Lumber, staves, and ties represent most of the carload

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traffic, which from 1934 to 1938 inclusive has approximated 99, 112, 141, 81, and 112 carloads, respectively. A comparatively small less-than-carload tonnage was also handled during each of the same years. The number of passengers carried has declined from 331 in 1934 to 104 in 1938. There are no connections with other railroads.

The total system railway operating revenue from the traffic handled over the line for each year from 1934 to 1938 was \$5,665, \$7,319, \$10,163, \$6,513, and \$8,406, respectively. Railway operating expenses on the line for the same years exclusive of superintendence, depreciation of equipment, and general expenses, are estimated by the applicant at \$4,471 a year, while railway tax accruals, allocated on a line-mileage prorate, were \$559, \$539, \$766, \$782, and \$796, respectively. The cost of moving the traffic of the line over the other parts of the system is estimated by the applicant to have been \$3,584, \$4,916, \$7,195, \$4,298, and \$5,809, respectively, resulting in a net system loss from operation of the line of \$2,949 in 1934, \$2,607 in 1935, \$2,269 in 1936, \$3,038 in 1937, and \$2,670 in 1938. Railway operating expenses on the line were estimated on the basis of a system-mileage prorate for maintenance of way and structure accounts, a system cost a train-mile for certain transportation costs, and 10 percent of the system maintenance of equipment accounts and traffic expense. The cost of moving the traffic of the line over other parts of the system is based on main-line operating ratios for each year from 1934 to 1938 inclusive.

The line is in poor physical condition, because of deferred maintenance. The applicant estimates that approximately \$11,000 must be expended immediately to restore the track and roadbed to a reasonably safe condition.

It is apparent from the record that the transportation need of the community does not warrant the expense necessary to rehabilitate and operate the line, and that continued operation would impose an undue burden upon the applicant and upon interstate commerce.

We find that the present and future public convenience and necessity permit abandonment by the Missouri Southern Railroad Company of the line of railroad in Reynolds and Shannon Counties, Mo., described in the application. An appropriate certificate will be issued, effective from and after 30 days from its date, in which suitable provision will be made for the cancelation of tariffs.

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